

AMENDMENTS TO THE CLAIMS

Please enter the following claim amendments:

What is claimed:

Claims 1-15. (Cancelled)

Claim 16. (New) A computer-implemented method of reducing market risk and cost for producers and consumers of manufactured products and finished goods in a global marketplace by transformation of in-process material specifications into semi-standard financial instruments based on dynamically updated sector product information, market data, business intelligence, and manufacturing sector general information, the method comprising:

identifying a manufacturing sector based on a measure of the relative importance of the sector in comparison to other sectors of an economy;

creating, using the computer, a hierarchical product taxonomy of a group of products of the sector, comprising:

creating a product taxonomy tree representing the group of products as sector products, wherein the branches of the tree represent successively defined sub-sector products and sub-sector product groupings, and the leaves of the tree represent root products,

extracting from a bill of materials for each product group a set of product group items as a sub-group and for each subgroup of the sector a set of product sub-group items,

identifying one or more dominant product groups or sub-groups based on the value-added of the group or subgroup being approximately equal to or

exceeding 80% of the total dollar value of the product group or subgroup for such product items, wherein the value-added is based on the purchase price of materials for each group or sub-group item, iterating the creating, extracting, and identifying by further branching the product taxonomy tree for each identified dominant product subgroup, until all root products are identified based on applying Pareto's Law to the dollar value-added of identified dominant product groups or sub-groups, and

providing, from sector product information suppliers' technical information, a complete product specification by homogenization of the root products as standardized root products;

extracting, using a computer, sector, market data, business intelligence, and manufacturing sector general information from Internet data sources using agent-based filtering, the information including products pricing data;

providing, in a computer database, the hierarchical product taxonomy tree with the sector, market data, business intelligence and manufacturing sector general information for each of the identified dominant product groups and sub-groups; and

creating, from the computer database, a semi-standard financial instrument based on each extracted root product and providing the semi-standard financial instrument as a tradeable financial instrument in an electronic marketplace,

wherein the value of the financial instrument is adjusted based on a value-weighted price index of at least one underlying derivative associated with the product group(s), sub-group(s), or root product.